

# Report on the Budget Act of 1999

*Prepared by the*



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### Publishing Information

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## Foreword

On June 29, 1999, Governor Gray Davis signed Senate Bill 160 (Chapter 50, Statutes of 1999), giving California its first on-time state budget since 1993. The Budget Act (Chapter 50) and the accompanying trailer bills provide \$33.6 billion in state and local funds for K–12 education, an increase of nearly \$2 billion over revised 1998–99 spending levels. This figure, however, significantly understates the actual increase in funds that will be available to local educational agencies for ongoing programs. When the allocation is adjusted for the timing of actual cash receipts, school districts and county offices of education will have \$2.4 billion in resources available for new and expanded ongoing programs—an increase of \$347 (6.1 percent) per pupil in average daily attendance (ADA). In addition, local educational agencies will receive \$366 million (\$66 per ADA) in funding for various one-time purposes. Therefore, public schools will have a total of nearly \$2.8 billion in increased funding for ongoing and one-time programs during 1999–00.

This revenue increase funds statutory enrollment growth for revenue limits and for categorical programs and cost-of-living adjustments of 1.41 percent. It also provides \$455 million in additional general-purpose funding to reduce the revenue limit “deficit factor” to 6.996 percent. Other notable features of the state spending plan for 1999–00 include \$542 million to increase the availability of instructional and library materials and \$192 million for a new school accountability system that was enacted earlier this year (Chapter 3, Statutes of 1999).

This report contains a detailed summary of the major features of the 1999 Budget Act and the major budget trailer bills affecting K–12 education. The report is organized as follows: For each major program, the report identifies the 1999 Budget Act item number, the authorizing *Education Code* section, and the key

features of the 1999-00 appropriation, as detailed in the budget and/or related legislation. The report also presents comments by Department of Education staff to help local educational agencies in implementing these programs. The staff members have highlighted key dates, reporting forms, data requirements, and other relevant information that can help local officials secure state funding for these programs.

I would also like to direct your attention to the version of this report on the Internet. Department staff members have taken advantage of this technology by incorporating hypertext links from the report to other useful sites. The online report allows users to move immediately from our reviews of each program to the actual Budget Act item containing the appropriation and then to the specific *Education Code* section authorizing the program. In addition, the report contains hypertext links allowing the reader to send an e-mail comment or question to the staff person responsible for each program. The report can be found on the Internet, through the home page of the Department's School Fiscal Services Division, at <http://www.cde.ca.gov/sfsdiv>.

I hope you find this report useful, and I look forward to working with you to secure an even better budget for our schools next year.

A handwritten signature in blue ink, reading "Delaine Eastin". The signature is fluid and cursive, with a large initial "D" and "E".

DELAINE EASTIN

*State Superintendent of Public Instruction*